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SUBJECT: MEDIA REACTION: U.S. POLICY, FINANCIAL CRISIS, NORTH KOREA

Editorial Quotes

11. U.S. POLICY

"What does the 'Buy American, hire American' Bill mean?"

A Shanghai-based news company under Shanghai Media Group, China Business News (Diyi Caijing Ribao)(02/03): "Recently the U.S. House of Representatives approved a bill called the 2009 American Economic Recovery and Reinvestment Bill in order to encourage American enterprise, use American made machines, and hire Americans. This Bill is likely to have a strong trade protectionism influence. The American Chamber of Commerce is strongly against this Bill stating that, 'this proposal will lead to revenge by the U.S.' global trading partners causing a drop in the global economic growth, and finally leading to the U.S. losing its leadership in the global markets.' The Chairman of China's Climate Change Organization stated, 'I am anticipating the congress's vote concerning this reinvestment plan.' The challenge for Obama in approving the plan lies in the Senate where the Democrats are in the minority. Obama has been seeking support for the bill from Republicans."

12. FINANCIAL CRISIS

a. "Global economy's recovery still depends on the U.S."

The official Communist Party international news publication Global Times (Huanqiu Shibao)(02/03): "Since the beginning of the financial crisis, the question of what will become the major motives that pull the World away from the financial crisis has been the focus of many discussions. China's general economic development and market system construction have had obvious flaws. China may step out of the crisis as the first country, but it is unable to lead the World's economic trends and surpass the American economy. Analysts have concluded that the sub-prime crisis is a necessary result of the natural fluctuations of an economic cycle. As long as the economy is able to restore it, the economic crisis will be overcome and the globe will become prosperous. This is where the American economic advantage lies. The American economy has a strong self-adjustment and self-recovery ability. China's economy is, comparatively, greatly ineffective in self-recovery. Although China has a large potential in its consumption market, quite a few reforms are needed to actually trigger the consumption needed. When the domestic need market is hard to trigger, and the foreign need market; American consumption, is recovering, only then will China's economic development have positive effects. Thus, global economic recovery still depends on the U.S. economy."

b. "The speed of China's self-saving makes the U.S. and Europe look less glorious"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(02/03): "February second was the first day that China's stock market opened in 'the black'. Although some people still doubt China's 8% growth rate, more and more people

admire and respect it. The Chinese economy has begun to rebound. This shows that the Chinese have many reasons to be happy and confident. China has impressed the World with a series of globally beneficial policies. This shows that China has defeated the U.S. in who will self-save, or recover the fastest. Chinese experts believe that China's economic influence in the World is that of a big country; although the storage is small, the growth trend is good. During the Spring Festival, China's economy has shown a trace of improvement in the fields of credit release index and consumption. They are closely related with the Chinese government's specific market rescue measures."

13. NORTH KOREA

"Will North and South Korea to have a war?"

The China Radio International sponsored newspaper World News Journal (Shijie Xinwenbao)(02/03): "The situation on the Korean peninsula has suddenly become tense. Because of North Korea's recent position, South Korean experts worry that the Korean peninsula may become a battle field between the two countries. The North urges the South to surrender and adjust its policies. North Korea is trying to kill several birds with one stone. If South Korea refuses to give in, North Korea has made the propaganda effect. If South Korea does give in, North Korea has increased its reputation in the country and suppresses South Korea's arrogance. North Korea's stance worries its neighboring countries. Any incidents that might start a war will create a disastrous situation on the peninsula. It has made the North Korean issue more urgent. The U.S. Department of State has expressed that this issue has been at the 'top of the agenda'."

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